



MCI Communications  
Corporation

1700 M Street, N.W., Room 235  
Washington, D.C. 20005

Leonard S. Sawicki  
Vice President

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July 8, 1998

VIA MESSENGER

Geraldine A. Matise, Chief  
Network Services Division  
Common Carrier Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 235  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: CC Docket No. 92-237, DA 98-1319  
*Virgin Islands Telephone Corp. ("Vitelco") Petition for Waiver*

*Ex Parte*

Dear Ms. Matise:

The Public Notice on the captioned waiver petition, released July 1, 1998, seeks public comment on Vitelco's request for a further extension of a previously granted December 24, 1997 waiver (DA 97-2691) of the Commission's rules for implementation of four-digit carrier identification codes ("CICs"). Although MCI Telecommunications Corporation ("MCI") does not oppose Vitelco's request for a further extension, we believe that the issues raised are significant and warrant clear notice by the Commission that similar eleventh hour (or after-the-fact) requests by other LECs for waiver of their CIC obligations will in the future be denied.

Vitelco claims that substantial financial, technical and administrative hurdles, caused by the need to upgrade or replace an old central office switch, necessitate an 18-month extension — from July 1, 1998 until December 1999 — of both the deadline for implementation of four-digit CICs and the requirement for blocking of three-digit CICs. Yet Vitelco's petition does not reflect the fact that, in its May 1, 1998 Declaratory Ruling (DA 98-828), the Bureau has already permitted LECs to phase-out the July 1 blocking deadline "where necessary" through September 1998. More importantly, Vitelco's supporting papers show that after learning of the problem with its existing switching systems, the company waited for more than two months — from April 1, 1998 through June 12, 1998 — before even alerting the Commission that it faced a potential compliance problem.

These are not trivial issues. As you know, MCI asked the Commission to extend the "permissive dialing" period for transition from three- to four-digit CICs. When it rejected this request, the Commission cautioned that IXCs "should be, and must continue to, inform their

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customers of the dialing pattern change that will take place on July 1, 1998." MCI has, accordingly, undertaken the cost and expense of both network reconfiguration and consumer education—including massive, national advertising for its "10-10-321" product—in reliance on the expedited transition ordered by the Commission. When the FCC grants these last minute waivers, it jeopardizes the effectiveness of IXC advertising campaigns. Instead of educating the consumer, the customer becomes confused while trying the new dialing pattern, gets frustrated and gives up. Only advance planning combined with the use of a specialized intercept message can cure this problem – a problem caused in the first place by LECs that do not take the Commission's requirements seriously.

Vitelco is not a small, rural cooperative, but a well-capitalized corporation operating in a market with substantial, and lucrative, business and tourist customers. Had Vitelco placed a greater priority on compliance with the Commission's deadlines (first announced in October 1997), it would not have sat back idly until April 1998 while its switch vendor declined to support an FCC-imposed LEC switching obligation. It is clear from Vitelco's own submissions that the highest executive levels of the company were directly involved in assessing a proposed \$13 million investment in new Nortel switches, yet the company took no steps to notify either the Commission or affected IXCs of its CIC compliance difficulties until the eve of the CIC blocking deadline. Furthermore, other LECs, including far smaller companies, provided the Commission with much more notice regarding anticipated CIC compliance difficulties.

In this light, MCI suggests that the Vitelco waiver be granted only with conditions. **First**, since Vitelco will be installing its new switches on an island-by-island basis, the Bureau should require that four-digit CICs be phased-in on the same island-by-island basis. **Second**, the Bureau should repeat what it did with Radcliffe (See DA 98-1209) by requiring a special intercept message instructing customers to redial using the five-digit CAC and to notify its customers via bill inserts. In addition, Vitelco should notify its customers once again when seven digit CACs are supported. **Third**, the Commission should require that Vitelco cannot place any of the switches (hosts or remotes) in service for local exchange traffic unless it "turns up" four-digit CIC functionalities; Vitelco should not be permitted to use other features of its new switches unless it simultaneously satisfies its CIC requirements. **Fourth**, the Commission should specify that if it is operationally feasible to accelerate the implementation schedule, Vitelco must do so. **Fifth**, in light of the extremely long (18-month) extension requested, the Commission should require Vitelco to submit periodic reports, at quarterly intervals, as to progress towards switch replacement and any adjustment(s) to the forecast implementation schedule.

MCI also urges the Commission to set "ground rules" for CIC waivers in its order on the Vitelco petition. We understand that the Bureau has already granted several waivers of the CIC rules with little, if any public notice: for instance Puerto Rico Telephone (DA 98-1159), Hardy Telephone (DA 98-602) and Pierce Telephone (DA 98-683). This practice should not continue, and any future waivers should be released on public notice with sufficient time for comment before action is taken. A complete list of all prior CIC waivers should be published and maintained by the Division. Finally, the Bureau should make clear that, if there are LECs that have not implemented four-digit CICs, or that cannot meet the revised blocking deadline of September 1998, future waiver requests will be denied and that the Commission will, in

appropriate cases, consider imposing sanctions if a LEC has engaged in willful neglect of its CIC transition obligations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leonard Sawicki".

Leonard Sawicki

cc: Magalie Roman Salas, Secretary  
Greg Vogt, Counsel to Vitelco